

Current Financial Operations Initiatives

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Current FO Initiatives

- **General Fund Enterprise Business System (GFEBS)**
- **Risk Management**
- **Forward Compatible Payroll System (FCP)**
- **Army Shared Knowledge-Financial Management (ASK-FM)**
- **Managerial Accounting**

GFEBS Objectives

- **Provide accurate, reliable, timely, and consistent Financial information**
 - Clean audits
 - Improved resource execution
- **Facilitate operational divestiture**
 - Reduced systems and people purchased from DFAS
 - Reduced Army Financial Management personnel requirements

GFEBS Capabilities

- **GFEBS is a compliant COTS ERP providing:**
 - **General Ledger Management**
 - **Payment Management**
 - **Receivable Management**
 - **Funds Management**
 - **Cost Management**
 - **Reporting**
- **Eliminates legacy systems and business practices**

GFEBS Oversight and Governance

- **Program Executive Office - Enterprise Information Systems**
- **Effort sanctioned by OUSD(C), BMMP, and Accounting and Finance Domain**
- **Mapping Finance Enterprise Architecture to OSD BEA**
- **ASD(NII) has Acquisition Oversight**
 - ACAT 1 AM Program
- **Executive Steering Committee chaired by ASA(FM&C) with DA Staff and MACOM representatives**

GFEBS Development Concept

- **Spiral approach**
 - **Phase 1: Full end-to-end capability in real property management business area**
 - **Phase 2: Full end-to-end COTS capability all IMA business areas**
 - **Phase 3: Full end-to-end COTS capability all mission business areas (to include ARNG and USAR)**
 - **Phase 4: Full end-to-end COTS capability AMC business areas**
- **Specific exit criteria must be met before proceeding to next phase**

ACQUISITION SENSITIVE

Risk Management

- **Risk is a measure of uncertainty in the business process in achieving organizational objectives.**
- **Risk involves consequences and the likelihood that a negative event will take place.**

"Risk in itself is not bad; risk is essential to progress, and failure is often a key part of learning. But we must learn to balance the possible negative consequences of risk against the potential benefits of its associated opportunity."

[Van Scoy, Roger L. *Software Development Risk: Opportunity, Not Problem*. Software Engineering Institute, CMU/SEI-92-TR-30, ADA 258743, September 1992]

Army Risk Factors

- **Fraud, waste, abuse, or mismanagement of government resources**
- **Effect on combat readiness or program accomplishment**
- **Illegal acts**
- **Political sensitivity or media interest**
- **Effect on safety, health, security or morale**
- **Systemic weaknesses—might result in recurring problems**
- **Minor deficiencies that become significant in the aggregate**
- **Previously identified problems not being corrected**

Risk Management

- **Sarbanes-Oxley Act of 2002, Sec. 404, Management Assessment of Internal Controls**
 - Requires annual reports to contain an internal control report stating the responsibility of management for establishing and maintaining an adequate internal control structure
 - Currently applies to private companies subject to the SEC Act of 1934 but may be broaden to include government agencies
- **December 2003 KPMG study, Enhancing The Army Management Control Process**
 - Found that MCP is not linked to risk management or risk assessment in Army
 - Risk assessment and management should be integrated into the MC Process

Risk Management

- **PAT Team formed of MC administrators, Accessible Unit Managers (AUMs), and IR personnel**
- **PAT Team to review current MC process and make recommendations on incorporating risk management into MC process and IR function.**
- **PAT Team report due to SAFM-FO by 30 August 2004**

FCP System Overview

Forward Compatible Payroll System

- Reuses existing military personnel and pay data interfaces to collect appropriate data for the purpose of generating, reporting and distributing accurate military pay.
- Replaces aging legacy COBOL system with modern relational database commercial off-the-shelf (COTS) solution
 - Proven industry application and PeopleSoft validated approach
- Eliminates near term risk of catastrophic DJMS system failure
- Promotes customer-oriented military pay business process reengineering
- Facilitates implementing mandated military pay software changes in weeks rather than months or years

FCP Goals

- Support DoD Long-Term Objective of Integrated Personnel and Pay System
- Full Replacement of Defense Joint Military Pay System - Active and Reserve
- Interim Payroll Solution to Defense Integrated Military Human Resource System (DIMHRS) Utilizing DIMHRS COTS Software (PeopleSoft HRMS/Global Payroll) and DIMHRS Pay Requirements
- Implement Modern, Integrated and Standardized, all Component, Military Payroll System for Army, Air Force, Navy
- Improved Mobilization Pay Support
- Payroll and Budgetary Reports based on Regulatory, Statutory and Financial Management Requirements

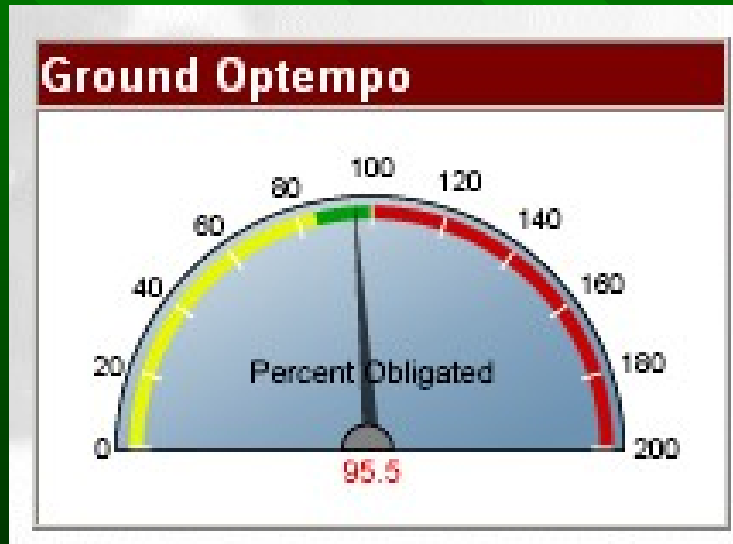
FCP Benefits

- Improved Mobilization Pay Support
- Reduced Manual Workarounds
- Reduction in Cost to Maintain/Number of Expert Field and Corporate Personnel
- Improved Customer Service
- Enhanced Member Self Service
- Reduction in Redundant Data Entry
- Pay Warehouse Support for Financial Management/Operations
- Standardized Business Rules, Data and Reports
- Rapid Response to Legislative and Policy Changes
- Reduction in Duplicative and Unmanageable Interfaces and Reports

ASK-FM

- **Army Shared Knowledge-Financial Management**
 - FM&C establishes requirements
 - DFAS provides technical support
 - CIO/G6 provides AKO and technical assistance
 - Near real-time financial data
 - Use AKO as the single portal
 - Enhance support to decision makers
 - Supports PSAC and KPMM for financial execution

Digital Dashboard Concept



← The gauge

Drilldown capability →

OPTEMPO GROUND OBLIGATIONS

Operating Agency △	Total Obligations	Total Allotments/Orders Received	Annual Program
03 - US ARMY INFORMATION SYSTEMS COMMAND	6,231,747.38	13,663,118.00	20,438,900.00
22 - SEC OF THE ARMY, OFC OF ADMIN ASSISTANT	0.00	373,000.00	1,026,550.00
25 - USA INTELLIGENCE AND SECURITY COMMAND	2,428,438.86	10,086,100.00	-4,124,800.00
36 - USA STRATEGIC DEFENSE COMMAND	202,591.97	400,000.00	766,150.00
40 - US ARMY MILITARY DISTRICT OF WASHINGTON	122,765.43	725,283.60	1,035,000.00
50 - US ARMY SPECIAL OPERATIONS COMMAND	19,740.28	47,000.00	234,950.00
57 - HQ TRADOC	8,457,571.12	12,638,000.00	41,008,000.00
74 - USA MEDICAL COMMAND	382,462.45	0.00	0.00
76 - FORCES COMMAND	184,568,093.23	232,946,900.00	423,168,000.00
78 - 8TH ARMY KOREA	25,937,834.28	86,366,655.00	110,229,000.00
82 - USA PACIFIC COMMAND, HAWAII	6,337,155.18	29,325,524.00	59,269,850.00
84 - US ARMY SOUTH	95,881.77	3,269,916.00	4,786,510.00
89 - HQ USAFEUR AND 7TH ARMY	41,171,941.50	97,907,200.00	166,508,000.00
Sum:	275,956,223.45	487,748,696.60	824,346,110.00

ASK-FM Description

- ✓ **The ASK-FM:**
 - ✓ **Web based, Thin/Full-Client**
 - ✓ **A Business Intelligence application**
 - ✓ **Source of data is ODS**
 - ✓ **Near real-time data**
 - ✓ **Enterprise & detail view of data**
 - ✓ **Drillable**
 - ✓ **Query capability**
 - ✓ **Controlled by User IDs and passwords with permissions**
 - ✓ **Row level security capable**
 - ✓ **Linked to AKO and DFAS ePortal**
 - ✓ **Uses Business Objects software 6.0**
 - ✓ **Application Foundation**
 - ✓ **Info View**

ASK-FM Training

- ✓ **Basic Users**
 - ✓ No training required. Simple click and drill technology accesses published reports.
- ✓ **Report Designers**
 - ✓ WebIntelligence Reporting
 - ✓ To access, create, format, or distribute reports using WebIntelligence
- ✓ **Advanced Report Designers and Dashboard Administrators**
 - ✓ WebIntelligence for Users
 - ✓ Business Objects Core Reporting Concepts
 - ✓ Intermediate Reporting Concepts
 - ✓ Advance Reporting Concepts
- ✓ **Knowledge Accelerator - Online training**

Army Managerial Accounting

- Establish a Managerial Accounting Capability in Support of ASA(FM&C) and ABO
- Purpose
 - Assist Army to intensively manage obligations and more effectively use available funds for the GWOT
- Establishment
 - IOC by July 1, 2004
 - FOC by October 1, 2004
 - Basic structure
 - » Establish a new office within Field Accounting Directorate
 - » Three Branches -- each focused on specific MACOMs
 - » Incremental staffing to 17 FTP, 3 rotating ELPAs